# 01177

1989/06/29

I06	036
TOP SECRET/EXDIS Jb1 av4	EXCISE
SECRETARY'S MORNING SULDARY FOR JUNE 25, 1989	51, a 1,50
1. PRC: LITTLE APPARENT PROMISE IN SOVIET CARD	
OFFICIAL SPOKESMAN YUAN MU TOLD LATIN AMERICAN AMBASSADO	RS
ON JUNE 20 THAT US SANCTIONS WOULD NOT GO MUCH FURTHER	
BECAUSE DAMAGING RELATIONS WITH CHINA WOULD HURT THE UNITED STATES STRATEGICALLY	, act
MEANWHILE, THE SOVIETS SEEN COOL TO THE	
IDEA OF EXTENSIVE ECONOMIC AID TO THE PRO.	
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VICE PREMIER TIAN JIYUN IS SCHEDULED TO ATTEND SINO-SOVI	ET
VICE PREMIER TIAN JIYUN IS SCHEDULED TO ATTEND SINO-SOVIECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW,	ET
	ET
ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW,  PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY  ASSISTANCE.	ET
ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW, PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY	ET
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ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW,  PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY  ASSISTANCE.  [TOP SECRET NOCONTRACT/NOFORN//ORCON]   1	ET
ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW,  PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY  ASSISTANCE.  [TOP SECRET NOCONTRACT/NOFORN//ORCON]  DEPARTMENT OF STATE IS FFC CON MOZONO Date 8/30/93  [] RELEASE () DECLASSIFY MR Cases Only:	

SECRET

EXCISE

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1) S or ( ) C Chi...

June 29, 1989

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15, FPC JCOR MD 2 Date 8/30/

DEPARTMENT OF STATE

( ) CLASSIFY 26 MR Cases Only: EO Citations

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DEXCISE ( ) DECLASSIFY
( ) DENY IN PART
( ) DELETE Non-Responsive Into

FOLA Exemptions

PRC: 2.

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### SECRET

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#### [SECRET/NOFORN/NOCONTRACT/ORCON]

3. CHINA: THE WORLD ACCORDING TO DENG
THE RECENT PUBLICATION OF DENG XIAOPING'S JUNE 9 SPEECH
ENDORSING THE CRACKDOWN ON PRO-DEMOCRACY PROTESTERS, AND
LEAKS TO HONG KONG NEWSPAFERS ABOUT DENG'S REMARKS TO
OTHER TOP LEADERS, SUGGEST HE IS TRYING HARD TO LIMIT
DAMAGE TO HIS ECONOMIC REFORM PROGRAM, FORGE A NEW LEADERSHIP CONSENSUS, AND GET THE COUNTRY BACK TO BUSINESS.

BIAS

DAMAGE LIMITATION

DENG PROBABLY DID NOT EXPECT THE STRONG POPULAR RESISTANCE TO THE ARMY ON JUNE 3-4, OR THE LEVEL OF BLOODSHED. BUT

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BIAS

ON JUNE 9 HE

DELIVERED A SPEECH THAT ENDORSED MARTIAL LAW AND THE USE OF FORCE BUT STRONGLY UNDERSCORED HIS COMMITMENT TO CONTINUED ECONOMIC REFORM AND OPENING TO THE OUTSIDE. HE

B145

GUIDING THE NEW LEADERSHIP, BUT ANXIOUS TO RETIRE

A WELL INFORMED HONG KONG NEWSPAPER ON JUNE 28 CARRIED
REPORTS OF TWO MEETINGS BETWEEN DENG AND THE MEMBERS OF
THE RECONSTITUTED POLITBURO STANDING COMMITTEE. DENG IS
SAID TO HAVE ENJOINED THE TO ACCEPT THE NEW GENERAL
SECRETARY, JIANG ZEMIN, AS BOSS; TO ESCHEW FORMING "SMALL
FACTIONS" OR GETTING BOGGED DOWN IN AFFIXING BLAME FOR
PAST MISTAKES; TO CONCENTRATE ON ECONOMIC DEVELOPMENT AND
MAKE SUBSTANTIAL ACHIEVEMENTS TO REGAIN THE PEOPLE'S
TRUST; AND TO AVOID COMING TO DENG FOR ADVICE AND
DECISIONS UNLESS ABSOLUTELY NECESSARY.

DENG REPORTEDLY SAID HE WILL RETIRE AFTER THE NEW LEADER-SHIP ESTABLISHES ITS AUTHORITY. HE WARNED THAT US AND EUROPEAN INVESTMENT IS BASED IN PART ON HIS OWN HEALTH AND

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THAT IT IS DANGEROUS TO BUILD A COUNTRY DEPENDENT ON ONE OR TWO PEOPLE.

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